

MINUTES

MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By **CHAIRMAN CHUCK SWYSGOOD**, on March 19, 1999 at 8:04 A.M., in Room 108 Capitol.

ROLL CALL

Members Present:

Sen. Chuck Swysgood, Chairman (R)
Sen. Tom Keating, Vice Chairman (R)
Sen. Tom A. Beck (R)
Sen. Chris Christiaens (D)
Sen. William Crismore (R)
Sen. Eve Franklin (D)
Sen. Greg Jergeson (D)
Sen. Bob Keenan (R)
Sen. J.D. Lynch (D)
Sen. Dale Mahlum (R)
Sen. Ken Miller (R)
Sen. Arnie Mohl (R)
Sen. Linda Nelson (D)
Sen. Debbie Shea (D)
Sen. Mike Taylor (R)

Members Excused: Sen. Ken Mesaros (R)
Sen. Daryl Toews (R)
Sen. Mignon Waterman (D)

Members Absent: None.

Staff Present: Shannon Gleason, Committee Secretary
Pam Joehler, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:
Executive Action: HB 258, HB 536, HB 470, SB
175, AND SB 375

SEN. TAYLOR, SEN. WATERMAN, SEN. MESAROS, AND SEN. TOEWS votes were cast via proxy.

EXECUTIVE ACTION ON HB 258

Motion/Vote: SEN. MILLER moved that HB 258 BE TABLED. Motion carried 16-2 with Waterman and Jergeson voting no.

EXECUTIVE ACTION ON HB 536

Motion: SEN. BECK moved that HB 536 BE CONCURRED IN.

Discussion:

CHAIRMAN SWYSGOOD advised he did not feel the need to expand the base at this time.

SEN. CHRISTIAENS noted there was going to be a problem if the base was not expanded because there would be a hole created and the Legislature would have to correct it next session.

CHAIRMAN SWYSGOOD advised the effective date was not until 2001 so the amendment would not help that.

SEN. FRANKLIN thought there was a technical amendment.

Motion/Vote: SEN. BECK moved that AMENDMENT HB053602.APJ EXHIBIT (fcs62a01) BE ADOPTED. Motion carried unanimously.

SEN. FRANKLIN felt the bill should be a complete package and not having the tobacco money or the expansion of the base made the bill was not worth passing. SEN. FRANKLIN asked Claudia Clifford, Auditor's Office, to explain if the tobacco money was available and if the Department of Employee Benefits opposed the amendment. Ms. Clifford advised the cap was put on as a way to address the concerns by insurance providers to maintain their premiums, however if the base was not increased there would not be enough money without tobacco settlement funds to cover the cost. Ms. Clifford advised the tobacco money could not be counted on because of the new prioritized list for the funds. Ms. Clifford advised she had spoken to the state and they did not feel the amendment including their employees would be a huge deal, since they were not effective until 2001 and that allowed the state time to figure out a plan.

SEN. BECK stated he felt it would be a good idea to see the figures before the base was expanded and the next legislative session could address the problem with better information. Mr.

Butler, BCBS, advised including the state and university system would generate \$560,000.00 for **MCHA**, and he felt the value of the amendment at this time was that it would allow sufficient time for planning budgets.

CHAIRMAN SWYSGOOD advised there were a lot of pieces to this puzzle missing and the mechanism in place would allow the program to get through to the next legislative session. **CHAIRMAN SWYSGOOD** felt the next session would be better able to deal with this because they would know which funds were available from the tobacco settlement, and have a clearer picture of the cost. **CHAIRMAN SWYSGOOD** advised **REP. KASTEN** did not support the amendments.

Motion: **SEN. FRANKLIN** moved the **AMENDMENT TO BROADEN BASE BE ADOPTED**.

Discussion:

SEN. FRANKLIN felt as a member of the university system it was an honor to participate in the program, and this was not a double assessment.

SEN. JERGESON commented he supported the concept of the amendment but noted the university pay plan is not approved, and until he saw how that was going he could not support the amendment.

Vote: Motion failed 4-12 with Beck, Christiaens, Franklin, and Waterman voting aye.

Vote: Motion that **HB 536 BE CONCURRED IN AS AMENDED** carried 17-1 with Franklin voting no.

SEN. BECK was assigned to carry the bill.

EXECUTIVE ACTION ON HB 470

{Tape : 1; Side : A; Approx. Time Counter : 8:29}

Motion/Vote: **SEN. KEATING** moved **AMENDMENT HB047002.APJ EXHIBIT(fcs62a02)** BE ADOPTED and **HB 470** be concurred as amended.

Discussion:

SEN. MILLER asked if the amended changed the effective date, **CHAIRMAN SWYSGOOD** advised it did not, it simply struck section two.

Vote: Motion carried unanimously.

SEN. KEENAN was assigned to carry the bill.

EXECUTIVE ACTION ON SB 375

Motion: SEN. JERGESON moved that SB 375 BE TABLED.

{Tape : 1; Side : A; Approx. Time Counter : 8:32}

Discussion:

SEN. JERGESON advised the tax credit was very limited and did not help lower income people, and people in the top tax bracket would see only a \$55.00 difference. **SEN. JERGESON** advised a donation could be made to a scholarship fund and a Federal and State tax deduction realized.

Vote: Motion carried 14-4 with Christiaens, Lynch, Shea, and Miller voting no.

EXECUTIVE ACTION ON SB 175

Motion: SEN. LYNCH moved that SB 175 DO PASS.

Discussion:

SEN. BECK advised the committee he felt the Fiscal Note was incorrect. **SEN. BECK** had done some investigating and felt this bill was not needed.

Substitute Motion/Vote: SEN. BECK made a substitute motion that SB 175 BE TABLED. Substitute motion carried 10-8 with Christiaens, Franklin, Jergeson, Lynch, Nelson, Miller, Shea, and Waterman voting no.

ADJOURNMENT

Adjournment: 8:38 A.M.

SEN. CHUCK SWYSGOOD, Chairman

SHANNON GLEASON, Secretary

CS/SG

EXHIBIT (fcs62aad)